



Maryland Department of Budget & Management

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Summary of the Pre-Proposal Conference for Project No.: DBM-2004-AUDITS (050R4800237) Financial/Financial Related Audits for Maryland State Agencies Held at: SHA, Office of Training & Safety, Hanover, MD On February 17, 2004, 10:00 AM

At approximately 10:05 am the Pre-Proposal Conference was convened by William M. Bowser, Procurement Officer for DBM-2004-Audits.

Mr. Bowser introduced Joan Peacock, DBM Independent Auditor and program manager for the resulting audit contract. Ms. Peacock will be working closely with the Contract Manager, Mr. Bowser in the resulting contract. Mr. Bowser requested all that had not done so to sign-in on the Pre-proposal Attendee List. Attached to this summary is the Attendee list for this procurement. Mr. Bowser then requested that all questions be held until the Q&A session. Mr. Bowser began the review RFP Sections 1, 2, 4, 5, and RFP Attachments (Except Attachment F). Mr. Bowser noted several areas of the general terms and conditions and suggested that attendees make sure that they review the State's requirements with all appropriate company personnel including an attorney. After Mr. Bowser completed the review of these sections, he answered questions.

Mr. Bowser next began the review of Section 3, Scope of Work and Attachment F, Price Proposal Form. Mr. Bowser emphasized the importance of understanding the task order process and the master contractor responsibilities. Mr. Bowser then review Attachment F, Price Proposal Form. Mr. Bowser stated that each offeror must ensure that the price they propose for each labor category includes all costs, direct and indirect, G&A, and profit since this is the primary method of receiving compensation from the State for any work other than work issued as Commission Only work.

The Questions and Answers Period immediately followed the review.

1. Do we have to have prices (Attachment F) for each of those positions?

Answer: You will need to put a price in each of these blocks (in Attachment F).

2. I need to know on the MBE requirement whether or not the subcontractor has that minimum qualification as the prime contractor.

Answer: The minimum qualification is for the prime contractor in order to be considered further in the evaluation process.

3. Can an MBE participate in more than one prime contract?

Answer: As a subcontractor they can team with multiple primes.

4. Subcontractors do not have to be part of these various positions that you have listed in here. They can be support personnel, support services to these people.

Answer: The answer is an MBE can be a support services to the prime contractor in many, many different areas. (However) The only way the prime contractor is going to make any money is to be able to bill for these labor classifications.

5. How are you going to monitor the dollar amount in the contract if we're bidding per hour, and let's say we bid, go \$100,000. How are you going to determine that 30 percent of the 100,000 went to an MBE if, if using these ancillary services? How are you going to allocate that 30 percent of that \$100,000?

Answer: There is a reporting requirement, D-5 and D-6, for all primes and subs. The subs will be submitting the D-6s and identifying the particular task orders they're working on and the value of the invoices that are being billed against it to the prime. If the total task order is \$100,000, and I have D-6 forms that add up to 30,000, then that tells me 30 percent of the effort is being, is going to MBE firms whether it's direct or indirect.

6. You use a term "key personnel," but I don't see where you identified who would be key personnel.

Answer: That's an excellent point. Who are key? (See Addendum #1 for removal of the word "key") (Editor's Note: The word "key" is removed from the RFP, however, each task order will require all personnel to be identified and remain on the task.)

7. How many master contractors were awarded in the last contract for this period?

Answer: This is a first for us to set up a master contract like this.

8. Other than the agency's mention in 1.2, are these services subject to all other State agencies throughout the state of Maryland?

Answer: These services are available to all State agencies throughout Maryland.

9. Are you anticipating that most of the physical field work will be in Annapolis for most of these agencies?

Answer: Probably the majority of the agencies are in the Baltimore-Washington corridor. There may be times where it may be necessary to, to perform work outside of that corridor.there is potentially work out there, but we haven't identified anything right now. The only thing that I've even identified to date is the retirement system which is located in Baltimore, has work ready to come out of the chute once we make the award.

10. Is that state retirement system a financial audit?

Answer: Financial related audit.

11. Do the State agencies still have the option to go out on their own and solicit work, or is it eventually the goal everything will come through this contract?

Answer: We're certainly making the effort to set up a master contract to allow the agencies to use this vehicle. If they choose not to use it, they certainly can do that.

12. You anticipate the administrative goal right now is everything should become centralized over a certain period of time, or the majority of them should be.

Answer: We have several agencies that have longstanding audit contracts and this is not really intended to replace those contracts.

13. You said that we could use this contract as a vehicle at a local government agency such as Prince George's County and Howard County. Yet you said that all task orders would have to be issued by you. Does that mean at the local level they have to follow your procurement task orders or are we talking all local requirements are issued instead of contract?

Answer: This is the contract vehicle for the local governments. If they want to use this contract, they're welcome to use it, but it will constitute a contract between you and that local. Now obviously some things that are requirements of the State agencies are not applicable to a local government. They would have to be written out of any contractual agreement that you would have with that local government.

14. If our attorney looked at this contract and took exception, does that mean that we are able to incorporate those exceptions to our contract if we are successful?

Answer: There's many, many factors, and it depends. You should try and either ask the questions now, what are the issues, so that the we can consider them now with, with the management of the Department so that we can say globally we can make this change, because if you're proposing specific changes to terms and conditions, that's something I have to consider for everybody, not just you. So, there is risk here by proposing exceptions, and if it's something that cannot be accepted, then you are going to have to make a decision, is it a go or a no-go

At the conclusion of the conference, Mr. Bowser stated that a summary of the pre-proposal conference will be e-mailed to all who are known to the Procurement Officer. Mr. Bowser also stated that a transcript of the Pre-Proposal Conference is available for a fee by contacting Freestate Reporting Service at 410-974-0947 (Reference DBM-2004-AUDITS). It is up to each attendee to make separate arrangements with the transcription service to obtain a copy if one is desired.

There being no further questions, Mr. Bowser adjourned the conference at about 11:30 am.

< Signed>
William M. Bowser
Procurement Officer

List of Attendees

Pre-Proposal Conference Sign-in Sheet

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